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T H E
CHIMERA:
O R,
The *French* Way
O F
Paying National Debts,
L A I D O P E N.
B E I N G A N
Impartial Account
O F T H E
P R O C E E D I N G S *in* F R A N C E,
F O R
Raising a PAPER CREDIT, and settling the MISSISSIPPI STOCK.



L O N D O N:

Printed for T. Warner, at the Black-Boy in Pater-Noster-Row, 1720. [Price One Shilling.]



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Impartial Account, &c.



T was many Years ago since the *French* Court regretted very much the Height of the Publick Credit in *England*, they look'd upon it as the Great,

and perhaps the only Advantage that *England* had over them in the War, namely, That by the Establish'd Reputation of the Publick Funds here, and the Authority of Parliamentary Credit, whatever Sum of Money was Voted in *England*, tho' the Funds did not produce it in many Years, and tho' the

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Loans were prodigiously Great, yet the Publick could command the Money in a few Days, perhaps in a few Hours; Five and twenty Hundred Thousand Pound Sterling an Immense Sum told out into *French Livres*, has been Subscrib'd to the Engraftment of the Bank in a few Hours: Lotteries of a Million have been fill'd before the Lottery it self could be pass'd in Parliament, and before it could be imagin'd possible to Crowd into the Office, the Tickets have been all subscrib'd, and the Money all immediately paid in.

This was as much the Terror of our Neighbours, as it was the Honour and Advantage of *England*; and Foreigners have been heard to say, that there was no getting the better of *England* by Battle, no, tho' the Victory was alway on their Side. That while we had thus an inexhaustible Store-house of Money, no Superiority in the Field, could be a Match for this Superiority of Treasure; for Money being the Basis of the War, in the Modern Way of carrying such Things on in the World, it had long since been a receiv'd Maxim in the Case of War, That the longest Purse, not the longest Sword, would be sure to Conquer at
last:

last : As in two Mens Boxing, not always he that had the strongest Arm, but he that had the longest Breath, would be sure to have the better of his Enemy.

It was in vain that the late King of *France*, tho' he had an absolute Command of the Greatest, and at first the wealthiest Nation in the World, tryed all the Methods, all the Arts that humane Wit could invent to raise a Fund of Credit in his Kingdom, and could never bring it to pass ; the whole Council of *France* could never dictate to him the Method how it should be done : This Coy Mistress, call'd Credit, could never be woo'd ; the more he pursued her, or the farther he follow'd her, the faster she fled from him ; and he had the continual Mortification to see his National Credit fall, even by the same Methods which made our National Credit rise ; and as our Credit here grew daily, and at last encreased to such a Height, that from paying Twelve and Fourteen *per Cent.* for Money, and struggling with infinite Difficultis to get it brought in, we came to reducing the Interest from Six *per Cent.* to Five *per Cent.* and now to have the publick Command

of what Money they pleas'd at Four *per Cent.* and have it brought in faster than they could take it, or had any Occasion for it.

It is not possible to set down here, the Schemes, Projects, and infinite Arts and secret Practises which the King of *France* used to command Credit ; all which were disappointed and blown up, by the frequent Exigences of the Publick Affairs, forcing him to violate the Faith and Honour of his Edicts, Declaring such or such a Fund of Interest to be sacred and unalterable, and not to be stopt upon any Account whatever ; and the next Year, or perhaps sooner, breaking thro' all those sacred Edicts, suppressing the Payment, and leaving the Lenders to starve : Whereas in *England*, one Parliament always voted the making good the Deficiencies of another ; And no Misapplication of Money could be made, but every Fund was kept sacred to its particular special Appropriation : So that no Man whatever having lent his Money to the Government on the Credit of a Parliamentary Fund, has been defrauded of his Property.

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Thus the Arbitrary Government of the King of *France*, the Property of every Man being intirely at his Dispose, destroy'd the very Reason and Nature of publick Credit; and the limited Power of *Great-Britain's* Crown, the Strings of the Purse being in the Hands of the Parliament, whose Appropriations, if I may be allowed to speak so plain, even our Kings themselves durst not break in upon, has been the Reason, and Foundation of such an immense boundless Credit, that nothing can hurt or destroy, unless the Parliament should invert their Way of acting, and take into their Hands the same absolute Power which it is their Business to restrain, and wound and injure themselves, that is to say, the People whom they represent.

But Fate and the Fortune of *France* has now turn'd the Tables upon us, and we see the same Arbitrary Power, that in the late Reign in *France* plung'd them into an insuperable Debt, and into an irrecoverable State of Deficiency and Discount, I say, the same Arbitrary Power has rais'd an inconceivable Species of mere Air and Shadow, realizing Fancies and Imaginations, Visions and Apparitions

partitions, and making the mere Speculations of Things, act all the Parts, and perform all the Offices of the Things themselves; and thus in a Moment their Debts are all vanish'd, the Substance is answer'd by the Shadow; and the People of *France* are made the Instruments of putting the Cheat upon themselves, the Name of the Thing is made an Equivalent to the Thing it self, transporting the Debts from the King to themselves, and being contented to discharge the Publick, owe the Money to another.

And this is the mere Consequence of a boundless Power in the King by which he is made able to put every Scheme, however impracticable in other Places, in a Course of Operation there; so that very Limitation of Power, which is in other Cases our Glory and Advantage, is the Reason why, let our Credit be what it will, our Debts remain, and must be wasted or diminished off, by the slow Fire of Parliamentary Proceedings, and by no other Way.

And thus for once in the World, Tyranny has the Whip-Hand of Liberty; for nothing can be done in *England* like this,

this, even the Parliament it self is limited, and there are its redeemable and unredeemable Funds, the last of which are a Burthen, nothing but the Number *Ninety Nine* (Years) can put an end to : But in *France* they have an unbounded Liberty to act as they please.

Let no Man mistake me here, as if I were bewailing the Incumbrances of National Privileges, and suggesting that it was Pity we should be a Nation of Liberty with such a Burthen of Debt ; on the other Hand, let us be, say I, a free Nation deep in Debt, rather than a Nation of Slaves Owing nothing ; and indeed even in this the Condition of *France* and *England* stands in a Posture much to our Advantage when compared together ; namely *France*, a Kingdom immensely Rich as a Government, wretchedly Poor as a People ; *England*, a Government Embarrass'd in Debt, exhausted of Funds, and not able (easily) to get out of Debt ; But as a People immensely Rich, Rich in the particular and private Wealth of the Subjects ; Poor, that is to say, Encumbred in Debt, speaking of the publick State of Things as a Government, and yet with all this, while

while the publick Credit remains, we can never be said to be Poor: But of that in another Place, and on another Occasion.

It remains now, that we look into this flagrant Delusion of paying a Nations Debts, as it is Practising upon the Ignorant People in *France*: Never in my Opinion, was any Number of People so hook'd in to put a sham upon themselves, and then call it paying off the King's Debts, or the publick Debts; for, as above, 'tis no more and no less, than a parcel of Fools Discharging the King of his Debts, and Owing it to one another. And this is another Reason of this Piece of Magic in *France*, for the very Want of Credit in *France*, has been the Reason of their obtaining the Credit of paying their Debts. This Paradox shall be unriddled immediately thus: Had not the Publick Credit been bad, had not the State Bills, that is to say, the publick Credit run at Sixty to Sixty three *per Cent.* Discount, the People would never have brought themselves to part with them for the Bonds, or Shares in a New Company; a Brat of State, which has its Life in the King's Breath, and must die

die whenever that Breath pleases to determine it, that live by the Favour of the King; and consequently, always lives at his Mercy; just thus, turn the Tables again. I say, just thus stands the Case in *England* reverse, the Goodness of the Publick-Credit in *England*, is the Reason why we shall never be out of Debt; for where is the Man that having lent his Money to the Publick, on the Credit of Parliamentary Security, will upon a Whim, discharge that Fund, and take a precarious Company of private Men, for the Money.

The Funds are our Security, and we are satisfied fully in the Safety of those Funds, because made sacred by the Authority of Parliament: This is our Advantage who are private Men, and have our Estates there; but this is a Blow to the very Possibility of paying the Publick Debts, because no Man is out of Love with his Security, and because no better Security can be proposed by any Man.

From these Premises, I come down to the very extraordinary Mr. *Laws*, a Man, who being first acquainted with the solid immoveable State of Credit in *England*, and seeing the fluctuating

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Manner of Things in *France*, plainly saw also, how easy it was to push those Things there, which he could not so much as think of in *England*, without Apprehensions of being pull'd in Pieces by the Rabble.

The first Thing Mr. *Laws* did, who wisely concluded, that a Foundation of Credit must be laid, before any sufficient Project could be founded upon it. I say, the first Thing Mr. *Laws* did, was to contemplate the raising a Royal-Bank in *France*: This he effected by the Concurrence of the King, whose Sanction there, as the Parliament would be here, was absolutely necessary for such a Work.

Now let the Schemes engrafted since, or then design'd to be engrafted upon the Foot of this Beginning, be what they will, whether knavish, or sincere, as I will not take upon me here to determine: Yet I say, let it be one Way or other; 'tis evident, Mr. *Laws* made a right Judgment, and that Nothing could be projected for the Publick-Service of any Kind, without an establish'd Credit, to center some where.

As I have said already, it was impossible this should be grafted upon the
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Government, the Endeavours to bring it to pass before, having been rendred abortive by the frequent Exigencies of that Government, forcing them to break in upon themselves, mortgage Faith and Honour, Royal Edicts, and Royal Promises, the strongest Engagements that could at that time be made; by which means the few Men that had any Money, were made Cautious, and were grown too Wise to put it into Hands which they could not depend upon for the Demand of it again, when it should be wanted.

It remain'd then to resolve, that Credit could now, be only raised upon the forming Societies of Private Men, who were Masters of Cash, and able to Support the Credit they took; with whom it might be safe to venture the Deposite of Money, and who by an exact Currency of Payments, might in Consequence, and by Degrees, obtain the Name or Title of a safe Fund, and become the Center of proper Credit for the whole Kingdom; a thing at that time greatly wanted, for the Advantage of Trade in *France*, as well as for the Purpose design'd by Mr. *Laws*. This almost by the Nature of the thing, would be called a Bank, and would be managed

by the first Adventurers in their own Right, and independent of the King or of any Branch of the Government; so that except by mere Plunder, even all one as by rifling the City of *Paris*, the King could never lay his Hand upon any thing which was put into their keeping.

This was a well lay'd Design, had there been no more *intended* than was *pretended*. For upon the Credit and Capital Stock of the first Subscribers, there was immediately a clear Prospect of a Currant running Cash, establish'd upon just Foundations, and sufficient to answer all the Business of *France*; I mean such Business as was fit for the management of a Bank.

When this Scheme was shew'd to the Regent, he was too penetrating not to see immediately, that it was too beneficial a Thing not to be encouraged, as well for the Credit of the Nation in General, as for the Use of the Government in Particular; and therefore received it with open Arms, and assured Mr. *Laws* of his Favour and Protection: But this was not all, for every Day giving new Lights into the Thing it self, and new Prospects arising every Day, the Regent who

who begun even then to see that there was nothing which might not be hoped for from such a Design, as well for the Service of the Government, as the Advantage of Commerce in general, and of private Persons interested in it in particular; for really a Face of publick Credit was a new Thing in *France*, and had so long been desir'd, and so often endeavour'd without Success, that it look'd like a Dream, and that Man that pretended to undertake it, was like an Angel come from Heaven to bring them good Tidings. From this Time forward Mr. *Laws*, as he well deserv'd, was receiv'd with great Distinction, and admitted to such Privacies as became necessary by the Importance of his Undertaking; and as they found his first Scheme fruitful of great Improvement, he was Encouraged to apply his Thoughts effectually to those Improvements, that something might be brought to pass for the publick Good, and especially to restore Credit to *France*, a Thing the whole Kingdom, but especially as a Government had suffered many Year for the want of.

In Prosecution of this Confidence, the Bank was established, the Patents
or

or Charter, as we would call it here, were expedited for its Foundation; the King begins the Subscription, the Duke Regent follows, and innumerable others; they are Impower'd to take in a Hundred Millions Original Stock, and to give out Bills for currant Cash payable at Demand, and to the Bearer, just after the Manner in *England*; and from that Time to this they have acted just as ours do here, are managed by a Court of Directors, for the governing daily, every Incident that may happen, and having preserv'd their Credit in Payments inviolably, it is not easy to conceive what Stocks of Money they have brought into their Hands, and to what monstrous Degree of Credit they are already arriv'd.

Their Business is just as it is with our Bank here; they receive and pay vast Sums of Money for the King, and their Bills pass in the Royal Treasury at ready Money; they have built a new Bureau or Office, and it was a Prodigy not often seen in *Paris*, to see about Three hundred Carriages loaden with Silver and Gold, carried under the Guard of a Party of Dragoons, through the Streets to the new House, where they made

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made a large Vault, which they call the *Charter-House*, for the keeping it safe, and preserving with it their Writings, Pledges, &c.

They lend Money upon Jewels, Plate, and Things of real Value, not perishable by keeping; and upon Mortgage of Lands at three *per Cent.* Interest; they discount Bills, and take in Money, issuing Bills of Credit payable at Demand; and it is inconceivable the mighty Encrease of Business they have upon their Hands in so little Time, and the immense Sums of Money they have by them in Specie.

Mr. *Laws* having thus successfully finished this great Affair, was at leisure to enquire what further Projects might be founded upon this of a Royal Bank: He was too knowing not to have in his Head the general Idea of all those things which have happened since, tho' not perhaps of the Success they have met with, which I cannot but believe have exceeded his own Expectation: But he that knew that nothing could be done without a Fund of Credit first established, knew also that such a Fund of Credit being once thoroughly Established, nothing could miscarry that was founded

founded upon it ; for as half the Projects in the World fail, and become abortive for want of ready Money and Credit ; so when once a Project is backed and supported with a Flush of ready Money, they must be weak Managers indeed, if they miscarry ; for being well backed, the Execution is in a Manner secured.

The first Thing of Moment he went upon, was the planting a Collony in the *West-Indies*, or in *North-America* ; not that Mr. *Laws* did not know that the Planting the *Louisiana* ; or the Country on the River *Mississipi*, would not produce any great Effects, at least in his Time ; for the Settling a Collony, however prosperous in its beginning is a Work of Time, and must take up not many Years only, but Ages of Years ; and that the utmost he could have before him in such Undertaking, was to die in the Faith of its Success, and to have the Satisfaction of having his Name very much talked of when he was dead.

But Mr. *Laws*, like a Man of just Reach and Penetration, knew that two Things would be absolutely necessary to his Design. 1. To have the King approve and embark in his Designs : And, 2. To make

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make his Scheme popular, to have something in View, that should look capital; have a View and Prospect of Success, beyond, not only what he could manage, but even beyond what he ever intended, in the Proposal.

Having started the Project of *Mississippi*, he branch'd it out in a different Manner from all Projects; for he did not descend from the *Mississippi* Scheme as the General, to the subsequent Things as the Particulars; but he ascended from the *Mississippi* Scheme as a Particular, to a *West-India* Company as the General; and a General it was, fruitful of many Particulars, every one in themselves, capable of as great Things, and perhaps greater than the planting the Colonies of *Mississippi* was in it self.

When the Company was thus formed, his next Work was to propose the Foundation on which they were to be establish'd, and this was a Subscription of Stock; and here he shewed his first Masterly-Stroke, and that he had concerted all the Steps and Measures of his Management from the Beginning: The Publick Credit in *France* was still low, nor did the Rising-Credit of the Royal Bank, add any Thing to it, but rather

diminish'd it, and let the World see that private Credit in *France* might revive, but publick Credit could not: The State Bills, and Credits, Annuities on the Town-House, Loans, and all the publick Papers which the Government had drawn the People in to part with their Money to purchase, were at this Time exceeding low, namely, from 57, to 63 *per Cent* Loss, and like to be more; it was the easiest Thing in the World to establish a Fund for a new Undertaking that was but tollerably promising, where the Subscribers could be allow'd to subscribe these dying Credits at a *P A R*, and put that into Stock at 100 Livres, which cost the Purchaser but 37 to 40 Livres *per Cent*. And this Thing alone fill'd his Subscription, which at first consisted of 100 Millions, and was very quickly full.

The first Bite Mr. *Laws* may be said to put upon the Country, was to give out by Way of *Premio*, ten Thousand Pistoles, or thereabouts, at the Rate of — *per Cent*. for the refusing of the *Mississippi*, or *West-India* Stock, now subscrib'd and full, at 100 Livres each Action for a Year's Time: This was what we call, *The buying of the Bear-Skin*; and was a dear Beat-

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Bear-Skin to those that sold it, as we shall hear presently.

This was the Time they begun to banter Mr. *Laws*: Some said he was Mad, and knew not what to do with his Money; others laugh'd at him, and said, He was not in *England*, where he could hedge one Way to Day, and another Way to Morrow; could give in the Morning, and take in the Afternoon; and thus they took the Money greedily, not considering what might be hid under the Management of a Man whose Talent they had not yet tryed.

I purposely pass over here the many Movements which Mr. *Laws* made in this Part, to secure to himself the Advance he should get by the Rise of his Stock; for he who had the Power of adding Credit to his Project when ever he pleas'd, had nothing to do but to make sure of the Profits of the first Rise to himself; and therefore he took care to give out his whole Sum, as I have heard, of 10000 Pistoles, before he set his other Wheels at work. And after this let us see how he went on:

He had now a Bank of currant Cash Establish'd on one Hand; this he has kept free and unconcern'd in all Adven-

tures or Projects, as what might one way or other shake their Credit; but he kept them perfectly unincumbred, always able to answer all Demands upon them, and to resist every shock that might be made upon them, by the force of their ready Money in Specie; none of which he would suffer to be diminished, except by Loans on sufficient Securities. And I shall give presently an Account how this Method was their real Security, and how they had been overthrown at once, by the Chicannry of their and his Enemies if this Course had not been taken; of which by and by.

He had on the other Hand a Subscription of Adventurers, as they might truly be call'd; and as the Nature of the Thing indeed imported, whose Stock did not cost them much, being bought as above, with what Cost them not above, 37 to 40 *per Cent.* and even was not indeed very Currant at that Price neither: These therefore were fit to run any reasonable Risque, to embark in any probable Undertaking; to advance the Credit of that Undertaking; and, if possible, to raise their imaginary Stock, for it was no more at first, to a real Stock of 100 Livres in Value, for 100
Livres

Livres Subscription; and the Way how to do this, therefore was the next proper Business of the Company to consider.

The first Thing to be enquir'd was, to find out something to do, something to Trade in, for as to Planting in *Mississippi*, tho' that was to be kept going on, as the denominating Business of the whole; yet it was plain, that Mr. *Laws* never design'd a hundred Millions of Livres should be employ'd in Peopleing a Wilderness: He therefore turns back to the King, from whom he received the Life of the whole, and by whose Authority and Business all the Wheels were to be set to Work.

The Publick was a large Field, were one Man has no Credit, and another great Credit; 'tis easy to see who of the two should be the Gainer by the other: He that has no Credit can do nothing without Money, he that has Credit wants no Money, tho' he has none.

A Government sunk into Debt, and her Securities bought at 60 *per Cent.* Discount, gives Room for vast Advantages, where the Party has Money to work with; in a Word the Business was to buy Low, and then bring up
the

the Price of what was bought; namely, to buy at 60 per Cent. Cost, and then sell at a PAR, as we now see is since done.

The King, I say, was the first Merchant they had to deal with, and these were the Goods he had to sell, (*viz.*) State Bills of several Kinds, Annuities, Interests on Loans, Rents of the Town-House, and the like; and here I must observe, that the performing this Wonder I am now to speak of, (*viz.*) of Restoring the publick Credit, so as to bring a Sum so monstrously great as Fifteen hundred Millions, and sunk so very low as from 60 to 65 per Cent. Discount, to be saleable at a PAR; nay to 10, 20 and 30 per Cent. Advance, for that they would have been at, but Mr. *Laws* himself checkt it; I say the Entertaining a Thought that such a Scheme was practicable, and laying a Scheme to do it, was as great a Testimony of Mr. *Laws*'s Genius and Capacity, as the Performance has been of his good Fortune.

It was a Sea, so full of dangerous Shoals, and Rocks, so subject to sudden Storms and Hurricanes, in a Word, so threatening of certain Shipwreck; that no Pilot but this alone would ever have

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But we must cease the Wondering, and go back beyond Wonder it self, Mr. *Laws* had begun well, the Bank was Establish'd, and began to gain upon the World; the Credit of it, as I have already observ'd, appear'd openly, and seem'd to be invulnerable; it was founded upon a substantial Basis, nay, indeed the only Basis that could support publick Credit, (*viz.*) it always had the Money in Specie and in its own Keeping, sufficient to answer all Demands; upon this almost any Thing might be undertaken.

But here I must not only give another Instance of the masterly Genius of Mr. *Laws*, the Contriver of all these Things, but must let the World see, that as no Design however good in it self, and adapted for the general Good of our Country, can be without Enemies, Envy constantly opposing it self to the best Designs; so it was here; this Bank had a formidable Attack made upon it by a Set of Merchants in *Paris*; some said they were *Jews* of *Amsterdam*, others, that they were *Dutch* Merchants Dwelling in *Paris*, and others, that they

they were *French*; be that as it will, possibly they might be some of all the three Sorts, for it could not be done by a few: The Sum they appeared with, being no less than Twenty five Millions. The Plot in a few Words was to muster up a large Number of Bills, to be demanded altogether, and if possible to give a Blow to the Credit; in a Word, and to Express it in our Terms, to make a Run upon the Bank. The Particulars of the Story are related thus.

‘ It was a little after the first Advance
 ‘ of the Credit of the Royal Bank at
 ‘ *Paris*, of which Mr. *Laws* was the
 ‘ principal Director, as he really was
 ‘ the Father and Author of it; some
 ‘ Merchants in *Paris* (it was reported
 ‘ to be a Plot originally laid at *Amster-*
 ‘ *dam*, or more properly in *Holland*)
 ‘ whether it was so or not, we do not
 ‘ affirm, but this is certain, that they
 ‘ were chiefly *Dutch* Merchants who
 ‘ appear’d in it at *Paris*; we say, some
 ‘ Merchants at *Paris* having some Time
 ‘ before concerted their Measures to
 ‘ give a Blow to the Bank, Treasured
 ‘ up a Number of Bank Bills, to the
 ‘ Sum of Twenty five Millions, as some
 ‘ say

‘ say, others Twenty two Millions of
‘ Livres, and appear altogether, tho’ in
‘ several Forms, as of separate Persons
‘ and Interest, at the Bank, just at the
‘ same Hour, to Demand the Money
‘ for those Bills.

‘ The Clerks at the Bank Surpriz’d
‘ with the Appearance of so many
‘ Eminent Merchants, and with such
‘ great Demands, answer’d, that they
‘ should be paid, but desir’d them to
‘ wait a little till they could send to
‘ Mr. *Lawes* the Director, that they
‘ might have his Orders how to pro-
‘ ceed in paying them; accordingly
‘ they immediately acquainted Mr.
‘ *Lawes* with the Thing, he paus’d a
‘ while at the Thing, and without any
‘ Surprise, after a little Consideration,
‘ bid them go back and tell the Mer-
‘ chants they should all be paid, and
‘ bid the Clerks begin the Payment,
‘ and to pay them all in *Lowes d’or’s* or
‘ *Pistoles*, and that he would come im-
‘ mediately to the Office, which he
‘ did, having first been to tell the
‘ Regent his Scheme, and had the
‘ Assistance of the Royal Treasury, and
‘ of the General Farmers, for about
‘ One hundred fifty thousand Pistoles

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‘ in *Specie*, if he had wanted them;
 ‘ which however he did not.

‘ Accordingly the Clerks began the
 ‘ Payment, and it held till the next
 ‘ Day afternoon; by which Time, as
 ‘ we have the Story, an Edict was
 ‘ procured and actually made Publick
 ‘ to reduce the *Louis d’ors* from 16 to
 ‘ 15 Livres. which Loss fell instantly
 ‘ upon the Merchants, while they had
 ‘ above a Million and a Quarter of
 ‘ Pistoles in their Hands in *Specie*, and
 ‘ the Bank having stood its Ground, had
 ‘ most of those Pistoles in their Cash
 ‘ again in a few Days.

This was a home Thrust at the Bank,
 but as it was Parry’d with so much
 Art, and the Loss of it turn’d upon
 the Contrivers, it Establish’d the very
 Foundation which it was form’d to
 shake, and gave such a Credit, not only
 to the Bank, but to Mr. *Laws* the prin-
 cipal Manager and Director in that
 Exigence, that it secured them both
 from any future Attempts of that Na-
 ture; it also let the World see, that
 not only they were strong in the Sub-
 stance of their Cash, and able to an-
 swer all Demands, and not only that
 they

they had a superior Genius at the Head of their Management, which was always able to Counter-act their Projects, but that they had the Government hard and fast to support them upon all Occasions; and this indeed was such a Foundation, that when the *Mississippi* or *West-India* Company was first formed, it was apparent, that tho' there was little or nothing in the Thing it self, yet there were other Ingraftments to be made upon it by the Government, that it could not miss of Success; and that in a Word, that *Mississippi* was only the Name, but that the Thing was intended to be a Fund of Credit, upon which the sinking Fortunes of the Government were to rise again.

The first Thing we found gave Life to the Company was the Coinage, the next was the Farm of Tobacco, either of these were Things of a Magnitude sufficient to have given Credit to any new Fund; but seem'd to be but Trifles in the Hand of the Company, who apparently aim'd at the General Management of the Revenues of *France*: However, as the Undertaking of the Coinage was a vast Thing in its Nature, so the Manner of the Contract, the Pru-

dence with which the Company engag'd in it, the visible Advantage which the Company would make by it, and above all, the Advance which they were to make to the King for it, were such Great things that it startled the World, and they began to talk of the *West-India* Company, as of an Opulent Powerful Body, that being Headed by an Enterprising Man, who apparently had undertaken what never Man before him undertook, and perfectly understood what he had undertaken, had more in it than was at first imagin'd, and would arrive to some greater Hight than had been thought possible.

Upon these Thoughts, and the Reputation of the Company's undertaking beginning to be Popular, every Body enquired into it, and the farther they look'd into it, the better they began to like it; and this set People first upon buying the Stock, and the Number of the Buyers, by the meer Nature of the thing, would raise the Value.

Now it appear'd every Day more and more, that Mr. *Laws* had lay'd his Measures right when he gave away his Pistoles, as I have said above, to have the refusal of the Stock at 100 *per Cent.*
for

for on a sudden the Stock jumpt up to PAR, and in three or four Days more to 150. Had Mr. *Laws* stay'd the fulltime, and not Demanded the Stock till it was Advanc'd, as we now see it risen, he must in all Probability have lost the Advantage he had due to him, seeing very few of the Persons he had Contracted with, would have been able to make good a difference of a Stock risen from under a Hundred to a Thousand: But as he shew'd his Moderation in Demanding the Stock, within the advance of about 200 *per Cent*. The Persons who lost that Money to him, were soon made Amends if they had any Stock, by finding it still rising upon their hands to a prodigious Degree in a few days.

We must take the Liberty to make a Digression here, to the Volatile Temper of the *French* Nation, whose Levity only can account for what we are now to take notice of, and the warmth of the *French* Temper must indeed be answerable for the running up an Imaginary Stock; for except about 37 or 40 Livres, upon a 100 in the first Subscription, it was no other to such a sudden and such an unaccountable extravagant Hight.

This

This warmth of the *French* Temper, which prompts them to push things up to the Extremity, was certainly the Reason, I mean the Original Reason of the sudden Advance of these things, for as yet there was no Weight in the things themselves, that could bear any proportion to the New Credit they assumed: The Company had indeed engag'd with the Government, and had taken the Coinage of the King, as above, and in Nine years it was calculated they would get near Fifty Millions by their Contract, provided also the Government kept their Word with them, and made no new Alterations in the Coin to their Detriment: But even this, in an Arbitrary Administration, such as that of *France* is known to be, was not so certain, but that the Risque of it was worth something to Ensure; and all the Doubt that could be justly rais'd on that Head, pleaded in Abatement to the Credit of the Company.

It must therefore, I say, be placed to the account of the fluttering, rash Disposition of the People of *France*, that a thing who had yet no farther or greater Prospect than that of the Coinage, should in a few Days mount up its
Credit

Credit to near 200 *per Cent*, upon the Value.

But as we are immediately to see things more prodigious than this, let us Discharge our selves of this Particular first, that we may clear things as they go; The Arret for Granting to the Company the Coinage, as above, will fully describe the Circumstances of their Conduct, and the View of Advantages they had by it; and therefore I cannot go on, till I have given it at large, as follows :

July 16. 1719.

Extract of the Registers of the Council of State.

‘ THE King having by his Let-
 ‘ ters Patents of the Month of
 ‘ *August*, 1717, established a Trading
 ‘ Company under the Name of the
 ‘ *West Company*, and by his Edict in
 ‘ *May* last reunited to the said Com-
 ‘ pany the Trade of the *East-India*,
 ‘ *China*, &c. his Majesty sees with Sa-
 ‘ tisfaction, that that Company takes
 ‘ the best Measures for securing the
 ‘ Success of its Establishment; that
 ‘ they send a great Number of Inhabi-
 ‘ tants

‘ tants to the Country of *Louisiana*,
‘ which was granted them; that many
‘ private Persons make Settlements in
‘ that Colony, and send thither Huf-
‘ bandmen, Tillers, and other Handi-
‘ craft-men, to manure and improve
‘ the Land, sow Corn, plant Tobacco,
‘ breed Silk-worms, and do whatever
‘ is necessary to improve that Country.
‘ Furthermore, his Majesty being in-
‘ formed, that the *India* Company is
‘ at great Charges for transporting the
‘ said Inhabitants, and furnishing the
‘ Colony with Meal and other Necessa-
‘ ries, till the Land afford a sufficient
‘ Quantity of Provision for their Sub-
‘ sistance: That the said Company
‘ sends thither all sorts of Goods and
‘ Merchandize, to render the Life of
‘ the Inhabitants more comfortable,
‘ and that for preventing Abuses too
‘ frequent in Colonies, they have taken
‘ Care to settle the Price thereof at a
‘ moderate Rate by a general Tariff,
‘ which they have sent thither to be
‘ affixed in their Store-houses and Ma-
‘ gazines; that they have ordered the
‘ Biasters or Pieces of Eight to be re-
‘ ceiv’d by their Officers on the foot of
‘ five Livres, and the other Silver Bul-
‘ lion

‘ lion in Proportion, which Disposi-
‘ tions have appeared so wise and ne-
‘ cessary, that his Majesty has resolved
‘ to favour the Execution thereof, and
‘ knowing that the exchanging of
‘ Goods not being sufficient to carry on
‘ Commerce to its full Extent, and that
‘ it is necessary in the beginning of
‘ Establishments of this Nature, to
‘ give them all possible Protection and
‘ Countenance, his Majesty has resolv’d
‘ to supply the said Company with a
‘ Sum of Bank Bills, to enable the
‘ Inhabitants of *Louisiana* to Trade
‘ amongst themselves, and bring into
‘ *France* the Fruits of their Labour,
‘ Oeconomy and Industry, without
‘ any Risque or Charge: And his Ma-
‘ jesty being willing to indemnify the
‘ said Company, for the Price of the
‘ Pieces of Eight in the *Louisiana*, and
‘ for the Expences they are at for the
‘ Establishment and Support of that
‘ Colony, he has thought fit to order
‘ all the Pieces of Eight and other Bul-
‘ lion that shall be imported by the said
‘ Company from the *Louisiana*, to be
‘ received at his Mints at their full
‘ Value. Therefore his Majesty being
‘ in the Council, with the Advice of
‘ Mon:

‘ Monsieur the Duke of *Orleans*, Re-
‘ gent, has ordered, and Orders, &c.

‘ The Articles of this Arrest are to
‘ the following effect: 1. That the
‘ Treasurer of the Bank shall deliver
‘ to the *India* Company, the Sum of
‘ Twenty five Millions of Livres in
‘ Bank Bills, taking a Receipt of the
‘ Cashier of the said Company, to be
‘ sent to the *Louisiana*. 2. That in
‘ order that the said Bills be distinguish-
‘ ed from others, the Numbers shall
‘ be kept by the Treasurer of the Bank,
‘ and the said Bills shall be sealed with
‘ the Seal of the *India* Company, in-
‘ stead of the Seal of the Bank. 3.
‘ That the said Bills being returned to
‘ *France*, shall be paid as well as other
‘ Bank Bills, by the Receivers of the
‘ King’s Revenues, and afterwards ac-
‘ quitted by the Cashier of the Com-
‘ pany, and by him brought to the
‘ Treasurer of the Bank, who shall
‘ deliver them new Bank Bills to be
‘ sent to the *Louisiana*, to the Value of
‘ the others. 4. The Owners of the
‘ said Bills must take the precaution to
‘ indorse them, that they may not be
‘ paid to any other, but such who are to
‘ receive the Payment thereof; but in
‘ case

‘ case they are lost by Shipwreck, or
‘ stoln, &c. the Owner upon making a
‘ Declaration thereof to the Cashier of
‘ the Company, who is to enter the
‘ Number of the Bills lost, or supposed
‘ to be lost, shall receive the Value
‘ thereof at the Expiration of five Years,
‘ according to the Declaration of the
‘ 4th of *December* 1718. 5. And in
‘ order to indemnify the said Company
‘ for the Charges they are at for set-
‘ tling the Plantations in *Louisiana*, and
‘ for the Prices they give for the Pieces
‘ of Eight, his Majesty orders that the
‘ said Pieces of Eight brought from
‘ those Plantations be receiv’d at his
‘ Mint, at the Rate of Sixty Livres *per*
‘ Mark, and in case of Alteration in
‘ the Price of the Coyn of the King-
‘ dom, the Value of the said Pieces of
‘ Eight shall be paid Weight for
‘ Weight in the Species that shall be
‘ Coined or Reformed, without any
‘ Diminution for the Charges thereof;
‘ and thereof as to the other Bullion,
‘ the same shall be receiv’d and paid
‘ at the Mint at the same Price as the
‘ Pieces of Eight, upon producing a
‘ Certificate from the General Direc-
‘ tors of the said Company, that the
‘ said

‘ said Pieces of Eight and other Bullion
 ‘ were shipped off in the Country of
 ‘ *Louisiana*, and belong to the said Com-
 ‘ pany. Done in the Council of State,
 ‘ July 16. 1719.

Signed

Fleuriau.

July 25. 1719.

*Abstract of the Registers of the Council
 of State.*

‘ **T**HE King having ordered in
 ‘ Council his Edict in *May* 1718,
 ‘ whereby new Species of Gold and
 ‘ Silver are ordered to be made, to
 ‘ be laid before him; and his Majesty
 ‘ being informed, That besides the good
 ‘ Effects the Coining thereof has pro-
 ‘ duc’d, other considerable Advanta-
 ‘ ges may be expected from the par-
 ‘ ticular Attention to be given to its
 ‘ Continuation. Among the several
 ‘ Proposals that have been made to
 ‘ him on this Matter, none has appear-
 ‘ ed more Advantagious than the Pro-
 ‘ position of the Directors of the *India*
 ‘ Company, who offer to pay to his
 ‘ Majesty Fifty Millions of Livres in
 ‘ Specie, in Fifteen equal successive
 ‘ Payments from Month to Month,
 ‘ the

the first Beginning on the First of
October next, and the last the first of
December 1720, upon Condition, that
the said Company shall enjoy for
Nine Years together, to begin from
the First of *August* next, the Benefit
and Advantage arising from the old
Species and Bullion that shall be
brought to the King's Mints to be
Coin'd into new Species. His Majesty
is so much the more inclined to accept
the Proposals of the said Company,
because they may better and more
and conveniently than private Men
import Species and Bullion out of
Foreign Countries, and that consequently
they may get a greater Advantage
thereby than his Majesty could get,
if the Coinage of the new Species was
continued upon his own Account; and
furthermore, considering that the Profit
that will arise out of the same will be
divided between great Numbers of his
Majesty's Subjects, concerned in the
said Company; and that a Supply so
certain and ready will enable his
Majesty to pay the Arrears of
Pensions and other Expences; His
Majesty, with the Advice of Monsieur
the Duke of Orleans,

' *leans*, Regent has ordained, and ordains as follows :

' This Arrest contains four Articles, which are to this effect : 1. His Majesty accepts the offer made by the *India* Company of the Sum of Fifty Millions of Livres, to be paid in Fifteen successive Months to begin from the first of *October* next, at the rate of 3, 333, 333 Livres, 6 Pence, 8 Deniers *per* Month, and orders that the same be brought to his Royal Treasury, and that the Receipt given by the Keeper thereof be a sufficient Discharge to the said Company, without being accountable to the Chamber of Accounts. 2. Besides the said Sum of Fifty Millions, the Company is to be at all the Charges of the Coinage, Remittance, &c. such as the King does actually pay. 3. Upon these Conditions, the King grants to the said Company all the Profits and Advantages that shall accrue from the Coining into new Species of Gold and Silver in his Mints, the old Species of *France*, the Species of Foreign Countries, and Bullion that shall be imported, what Sum soever they may amount to, on the foot
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‘ and manner regulated by the Edict of
‘ *May*, 1718, for Nine Years together,
‘ to begin from the first of *August* next.
‘ 4. His Majesty declares, that during
‘ the said Nine Years, he will not make
‘ any Augmentation in the Price of the
‘ Species, nor lessen the Standard of
‘ his Coin upon any Pretence whatso-
‘ ever, and that in case of any Diminu-
‘ tion, he will lower the Bullion and
‘ old Species proportionably. Done in
‘ the Council of State, *July*, 25. 1719.

It was some Weeks that the Credit
of the Company fed upon this Under-
taking; and Mr. *Laws*, who prudently
gave every thing time to work, let it
run on some time, upon this view only,
till the People began to talk a little du-
bious about it; That it was true, the
Company would get Money by the
Coinage, but it must be in a length of
time; and that this was not so consider-
able, that the Stock should mount up
to such a height upon that Advantage
only.

When these things began to be the
subject of Discourse, Mr. *Laws* began to
think of playing another Mine; for I am
to suppose all along this Gentleman to
have

have built his whole Fabrick in his Imagination at once, and to have Digested every Part even from the Beginning in his Thoughts, but resolved to bring every Thing about by just Degrees, and to give every Thing that he started into the World its full Scope, to extend it self to the utmost.

On a sudden then, for all his Motions were like Mines, sprung from beneath, not the least Notice being given of any thing, till it burst out like a sudden Fire, I say, on a sudden he Declares at his Levee, which now began to be as Great as that of a Publick Minister, That the King had United the *East-India* Company to that of *Mississippi* or the *West-India*, and immediately after, that is to say, the next Morning, an Arret of the King's Council appear'd, by which the two Companies were United, and the Stock of the *East-India* Company, Ingrafted into the other Company, as by the Arret it self is best explain'd, and which has in it several Clauses infinitely to the Advantage of the Company, in Trade, as well as in Credit, tho' even in this Conjunction, and all the Advantages of a Commerce to the *East-Indies* encreased
as

as they might be able to encrease it, were in themselves but remote things, and could produce no great things for some Years to come, and therefore could not be an Addition of an Intrin-sick worth, on which to raise such an immense inexpressible fund of Credit as immediatly appear'd: But let us go on gradually, and first look into the Arret it self, that we may the better judge of what it is the Company enjoy, and what they ought to be valued at upon that particular Account. The Arret is as follows.

*Extract of the Registers of the Council
of State.*

UPON the Representation made
to the King in Council by
Directors of the *India* Company in
Name of the said Company; That if
the King was pleased to vacuate and
make void the Lease or Contract of
the General Farms made in favour of
Aymart Lambert for six Years, which
began on the first of *October* 1718.
and of which the first Year will ex-
pire on the first of *October* next, and to
substitute the said Company in the room
of

‘ of the said *Lambert*, under the Name
‘ of such Person as they shall think
‘ fit, under the Security of the Com-
‘ pany for the remaining five Years of
‘ the Lease aforesaid : And to grant to
‘ the said Company four other Years,
‘ which will make a Lease of Nine
‘ Years, to begin from the first of *Octo-*
‘ *ber* next, and end on the first of *Octo-*
‘ *bar* 1728, with Power to the said
‘ Company to continue or vacuate the
‘ Leases made by the said *Lambert*, as
‘ they shall think fit, the said Com-
‘ pany shall give over and above what
‘ was given by the said *Lambert*, three
‘ Millions five hundred thousand Livres
‘ for every Year during the said Term
‘ of Nine Years, insomuch that instead
‘ of Forty eight Millions five hundred
‘ thousand Livres, the said *Lambert*
‘ paid every Year for the said General
‘ Farms, the said Company will pay
‘ Yearly Fifty two Millions, and besides
‘ will perform all the Clauses and Con-
‘ ditions contained in the Lease granted
‘ to the said *Lambert* : That the better
‘ to shew to his Majesty the desire of
‘ the said *India* Company, to contri-
‘ bute by their Credit to the Ease of
‘ the State, they offer to lend to the
‘ King

‘ King Twelve hundred Millions of Liv-
‘ res at the Yearly Interest of three *per*
‘ *Cent.* to be employed towards the reim-
‘ burfing and redeeming the perpetual
‘ Rents or Annuities, and other Debts
‘ affigned on the Aids and Gabells, the
‘ Tailles, the General Receipts of the
‘ Revenues, the Comptrolling or Regi-
‘ string of Acts passed by Notaries and
‘ Exploits, and on the Revenues of
‘ the Post Office, together with the
‘ Reimbursements of the Rents or
‘ Shares on the Farms, the State-Bills,
‘ Bills of the common Cash, and the
‘ Sums advanced for the Offices al-
‘ ready fuppreffed or to be fuppreffed,
‘ which are not, or fhall not be affigned
‘ upon any one Fund in particular :
‘ That in order to enable the faid Com-
‘ pany to advance the faid Twelve
‘ hundred Millions of Livres, his Ma-
‘ jefty is defired to authorize and im-
‘ power the faid Company to borrow
‘ Twelve hundred Millions of Livres,
‘ for which they will deliver out Shares
‘ of Rents to the Bearer, to be paid by
‘ the faid Company, or Contracts of
‘ Annuities or Rents at the Yearly In-
‘ terest of three *per Cent.* which fhall
‘ be advanced to them, and paid by

' the Cashier of the Company, to be-
 ' gin from the first of *January* next,
 ' following the Order of the Numbers
 ' of the Shares and the Date of the
 ' Contracts. That after the Company
 ' had Furnished the Twelve hundred
 ' Millions aforesaid, Commissioners
 ' appointed by his Majesty for that
 ' purpose, shall make and deliver to
 ' the said Company, one or more Con-
 ' tracts of perpetual Rent at three *per*
 ' *Cent. per Annum*, for the Sum of
 ' Twelve Hundred Millions of Livres
 ' aforesaid, which Rents shall be af-
 ' signed on the General Farms, to be-
 ' gin from the first of *January*, 1720.
 ' That therefore the said Company shall
 ' reserve, and keep in their own Hands
 ' the Annual Sum of Thirty Six Mil-
 ' lions of Livres for the Payment
 ' of the said Rents or Annuities, du-
 ' ring the Term of the Nine Years of
 ' their Lease, and after the Expiration
 ' thereof the Farmers of the General
 ' Farms, shall be oblig'd, in case the
 ' Company does not renew and conti-
 ' nue their Lease, to pay to the said
 ' *India* Company, the said Thirty Six
 ' Millions of Livres every Year by
 ' Monthly Payments, at the Rate of
 ' Three

‘ Three Millions *per* Month: And last-
‘ ly his Majesty is desired to be pleased
‘ to grant the Continuation for Fifty
‘ Years of all the Priviledges that have
‘ been granted to the said Company
‘ and of those granted to the several
‘ Companies that have been reunited
‘ to it. Whereupon the King in his
‘ Council, with the Advice of Monsieur
‘ the Duke of Orleans, Regent, has
‘ accepted and accepts the Offers of the
‘ India Company to his Majesty, &c.
‘ and in Consideration thereof, has or-
‘ dained and ordains, &c. The Arrest
‘ contains seven Articles, whereby all
‘ the Demands of the Company are
‘ granted, and their Priviledges are
‘ continued for Fifty Years, which are
‘ to end on the first of *January* 1770,
‘ upon Condition that the Company
‘ shall fully pay all the Debts of the
‘ old Company both in *France* and the
‘ *Indies*, &c.

It is not to be express’d with what
surprise, and even astonishment the
World look’d on at these steps of Mr.
Laws, his Fame for an Enterprizing
Man was now establish’d, and those
who had before run pretty much upon
his

his Credit, and talk'd to his prejudice among the common People, began to say now he was *Une habile homme*, and that he was capable of great things; for the noise of this new *East-India* Company spread like a Clap of Thunder far and wide, and People began to see a new world of Profite attending it, the *East-India* Trade being carried on in *Great-Britain* and in *Holland* to such a magnitude and to so much advantage, as we all know it to be done.

All this while the on looking World regarded in their Calculations nothing but the Profits of Trade, and the Advantages the Company might make by great Returns, having a Capital Stock, and a good Oeconomy in their Affairs, keeping their eyes upon the Number of Ships to be sent annually to the *East Indies*, the Extent of their Collonies and Plantations in the *Louisiana* and on the Banks of the *Mississipi*; what Rents in time shall accrue to the Stock, and what Annual Incoms the Company would receive, whereby they would be enabled to make Dividends proportion'd to 250 *per Cent.* upon their Subscriptions as they were then advanc'd, not imagining what was yet behind.

But

But Mr. *Laws*, whose Views lay another way, regarded all these things, only as they tended to raise a Fund of Credit at home, which was from the beginning the Point he aim'd at, leaving all other things to work their own way; not but the remotest Prospects concur'd to answer the same End, and a Complication of Advantages however remote, serv'd to bring about the great Point, *viz.* The making the Credit of the whole to rise beyond imagination and sufficient to answer all the great Things he had still in View.

The Stock was now risen to an excessive height, from 325 to 350 *per Cent.* and now was the Time for Mr. *Laws* to let the world see what a Fund of Credit is able to do, and to make good the undoubted Maxim, That a *Fund of Credit, is a Fund of Money*, and able to make it self equall to all the Money in the VWorld; for now was the time to stricke the blow, that *Coup d'Eclat*, which should surprize and astonish the VWorld, and which will for ever be spoken of as an *Action*, that the VWorld never heard of the like before.

Nor

Nor did Mr. *Laws* bring it out all at once, but suffered it to be discours'd or gradually, That the Company was about to take upon them the management of the Kings Revenue, in a few days after, for M. *Laws* never suffer'd the Town to be Master of his Measures before they were Ripe, but it had not been long spoken of that the Company would take upon them the management of the Revenue, when at once, just as before, an Arrest was published, dissolving the Leases of the General Farmers of the Revenue, tho' their Leases had five Years to run, and vesting the whole Collection in the new *East-India* Company.

As an Inducement to this, the Company undertake to encrease the payment to the King, no less than four Millions a Year; a Sum too Considerable not to be Valued: But at the end of this comes a Clause, which none but such a Man as Mr. *Laws* could have ventured upon, a thing Posterity will look back upon as a Romance, and which no History can give any thing like it, namely, the paying the King's Debrs, that is to say, the Company to take upon them at once the Discharging
all

all the King's Debts upon whatsoever Doubtful Funds, upon whatever precarious Circumstances they stood, whatever Discounts they were at, all are to be transferr'd at once from the Royal Treasury, where they would never have been able to Discharge them, to the Treasury of the Company where they are to be paid at Demand.

Two Things make this Undertaking a Prodigy of Management, the like of which was never heard of before :

1. The King's Debts amounted to about Fifteen Hundred Millions.
2. The Company had not any Fund of Money, or the Value of Money, to pay them with.

But before I go on, I must go back to the Arrests or Proclamations, Directing the Execution of this unparallel'd Contract, which by Mistake is already placed *Page 49.* but should have come in here.

Here is such a Blow struck, as the World never heard of before; and in this very stroke we may behold the Power of Credit, and what immense

Structures *may be built*, and Mr. *Laws* has built upon this single Foundation, by which he has restor'd a Government overwhelm'd with Debt and which was turn'd Bankrupt to the People, and has deliver'd a Nation oppress'd with Taxes, in such a Manner, and in so short a Time, that Posterity will never believe the Relation; but will all look like a Fable or Romance in their Eyes.

The Arret or Act of the King's Council above mention'd, for the settling this Point, tells us expressly what the Company are to do, and expresses the Sum which they are to lend the King for the doing it. (*viz.*) That they should lend the King Twelve Hundred Millions of Livres at 3 *per Cent.* and afterwards they added three Millions more, for the paying off all the publick Debts, and strictly ties them down to so punctual a Discharge of those Debts, and of all the Sallaries of the Officers, &c. that it shall be wholly in the Choice of the Persons who are to be paid, whether they will accept of the Company's Bonds, or have their Ready Money paid them. But the Arrets do not at all meddle with the Method
by

by which the Company shall raise such an Infinite mass of Money to pay, but supposes the Money shall all be actually ready in Cash, in Specie to pay, only gives the Company Power to borrow such a Sum, that is to say, if any one will lend it; for they do not oblige any one to lend, much less to accept the Company's Security for the Debt; for that would but have been exchanging the Government for the Company, and leaving the Debt still in being.

Nor on the other Hand was here the least Consideration to the Company for so great an Advantage to the Government, as that of clearing them at once of all the publick Debts; had the Company reserv'd but the small advantage of One *per Cent.* on the Interest as they were empowered to borrow, the 1200 Millions at 3 *per Cent.* had the Government paid 4 *per Cent.* which had been just 1 *per Cent.* Gain, there had been then some visible Profit, (*viz.*) There had been Twelve Millions *per Annum* in the Company's Pocket, to have enabled them, or help'd at least, to make some proportion'd Dividends to the monstrous advance of their Stock.

But the whole Scene may be one continued Prodigy, they seek no Advantage, they Demand no more than *Three per Cent.* and propose to borrow, if they want it, at *Three per Cent.* acting in every Part of it upon the foundation of Publick Service, without Gain to themselves.

But neither is this all, for we shall presently see them not only take no Surplus of Interest, no Gain of Interest more than they Pay; but we shall see the Credit rising to an immense height, and the Company growing Powerful by the Assistance of the Government, and the Management of Mr. *Laws* their Director: I say, we shall see the following Mysteries, or, indeed, Miracles, wrought in the compals of a few Weeks, Things as incredible as the greatest Impossibility in Nature could be thought to be; things which now they are done, they are as a Dream even to those that see them; even the People who have the Money in their Hands, and who has receiv'd their ancient Debts, so long given over, so effectually despair'd of, they look amaz'd, and Consider again and again, whether they are awake or asleep, they handle it,

it, weigh it, and roll it about, as if they would try whether it is really Gold or Air ; whether there is no Magic, no Necromancy in it or not; and I am told of one to whom the Government ow'd Ten Thousand Crowns, which he would have been glad to have sold for Two Thousand five Hundred, being an Arrear for Secret Service only, that caused an Iron Chest to be bought and put the Money into it, then drove Posts into the Ground in his Cellar, and chain'd the Iron Chest, down to the Stakes, then chain'd it also to the Wall, and barricadod the Doors and Window of the Cellar with Iron, and all for fear, not of Thieves to Steal the Money, but for fear the Money, Chest and all should fly away into the Air; For he said he could never believe it was Money. But to return to the Particulars, which I say have been done by this Company, subsequent to this new Arret of paying the publick Debts: We have seen them since that do strange Things indeed!

1. We have seen them bring the People to refuse Payment, or decline Payment of what they would

would before have given half the Debt to be secur'd of.

2. The State Bills that were before little better than waste Paper, made worth 10 *per Cent.* and 20 *per Cent.* above P A R.
3. We have seen them Gain Thirteen Hundred and Fifty Millions of Money in less than a Months Time by selling the Air, and putting a Real Value upon an imaginary Value.
4. We have seen the King's Revenue augmented to Millions a Year, by abating the Taxes to the People.
5. We have seen the General Farms rais'd Four Millions a Year to the King, and yet Twelve Millions a Year paid less by the People.
6. We have seen them Pay Fifteen Hundred Millions of Debt for the King without, one Penny of Money.
7. Lastly, We have seen a private Gentleman raise himself by the Dexterity of [this Management, to be the greatest Subject in the World; to have all the Nobility,

ty, the Princes, the Publick Ministers, and even the Government it self at his Beck, and above 300 Coaches in a Morning at his Levee, himself behaving with all the Modesty and Humility imaginable; not Elevated by his good Fortune, not Hurr'd or Discompos'd by the Application to so much Business but calm and cool, always present to himself, answering briefly and pertinently to every new Discourse, receiving Six or Seven Hundred Gentlemen in a Morning, dispatching every Business with a Readiness inimitable, perfectly Compos'd and Retir'd, and every Day producing new Wonders in the great Affair of the Publick which is upon his Hands.

I return to the Stock, and the proceeding of the Company: As the Advantages of publick Business thus flow'd in, the Credit of the Stock necessarily advanced; and we were surpriz'd in *England* to find that every Post the Price started up whole Hundreds in a Day
till

till at length we saw the Stock up at 1150 per Cent. 1200, and since that to 2050 per Cent.

Now was the Juncture of Mr. *Laws* to give the blow he had in View, the multitude of People who came every Hour to *Paris*, and run their Money into the Stock, made his Project not Rational only but Natural, (*viz.*) That they might enlarge the Capital Stock by Engrafting a farther Subscription, and that the new Subscribers might have Encouragement to Subscribe, they should be allowed to Subscribe at 1000 Livres each, original Stock.

Pursuand to this Resolution, an Arrest was published, empowering the Company to take new Subscriptions upon the first Foot of the Stock for 50 Millions, the Subscribers paying 10000 Livres each; and that I may explain it as I go, you are to understand, that for the Ten Thousand Livres, the Subscribers has Credit in the Companies Books for one Action or Share, that is to say, for One Hundred Livres Original Stock.

This being the Case, it is easie to Calculare what the Company's Gain by this

by this new Subscription, but of that in its Place: In the mean Time it is to be observ'd, that so eager were the People to throng in their Money into the Stock, that they were ready to tread one another to Death to get to the Books, and it was the greatest Favour in the World to be admitted; so that the Books were not only fill'd up in about Six Hours, but if there had been room for Two Hundred Millions, it would have been fill'd up at the same Time.

No sooner was the Subscription declared full, and no more Hands to be taken, but those who could not get in their Money, falls to work with those that had, and buy of them part of what they had subscrib'd, and this rais'd the Price so, That the new Stock raise immediatly 100 *per Cent*, even the same Day that it was subscrib'd.

As this had been clos'd with so eagerly, and with so much ardour by the People, Mr. *Laws*, who knew very well how to make his Advantage of the Temper of the People, Obtains a second Order for 50 Millions more, and in a Word had it fill'd with the same eagerness and forwardness as before, and after this a third of 50 Millions;

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the Arrest of these Subscriptions are publick in our Papers, and will shew something of the Proof of what I have affirm'd, of the forwardness of Subscribers; they are indeed too long to be copied here, neither is it of great use to us to see the Form which is only what is usual in the Publick Acts on like Occasions.

It is now proper to Examine what Immense Gain accrues to the Company by these Subscriptions, as also the Original Stock as then advanc'd: I begin with the Subscriptions, which, as above, were taken in at a 1000 Livres upon each 100 Livres Original Stock.

If then the Subscription was for Fifty Millions Stock, at 100 Livres each Subscription, this advanc'd to a 1000 Livres, each Stock amounts to no less than 500 Millions of Livres; so that the Company receiving 1000 Millions of Livres; for 50 Millions Original Stock, advance, and are clear Gainers by the Subscriptions no less than 450 Millions of Livres, and this doubled by the second Subscription of 50 Millions make the Company's Gain amount to 900 Millions of Livres, and that to a third. it makes it 1350 Millions.

Add

Add to this- the first Stock of the Company was much of it Subscrib'd by the Government it self, by the King, by Mr. *Laws* as in the Company's Name, and being sold since at 1000 and 1100 *per Cent.* has put, as I am credibly inform'd, above 200 Millions into their Pockets ; besides what Mr. *Laws* is said to have gain'd for his private Account.

It will now be no longer a Wonder how, and with what Coin the Company should undertake to pay off 1500 Millions of Debt, or how they could begin to pay, as^t was the Case, Four Months before the appointed Time, for here is 1340 Millions Clearly gain'd, *Tout d'une Coup*, at one Blow, to go on upon the Payment with whenever they pleas'd, besides what was to come ; and no Body then doubted but that Mr. *Laws* would set up a third Subscription ; but he found it convenient to stop here for the present, and not only to take a farther Subscription, but to put that out of doubt, he obtain'd a publick Arret declaring, that there should be no new Subscriptions granted.

But in this new Experiment Mr. *Laws* found himself a little embarrass'd, for

there being such a Run for their New Subscriptions, there were Consequently no Buyers, or fewer Buyers than before for the Old Stock, every one having, as we say in *England*, a Penny for a New Shop; neither was this all, but as the new Subscribers paid but 100 Livres down upon their Subscription, the rest being allow'd to be paid in by equal Payments in Nine Months, 100 Livres *per*. Month, it was with much ease subscrib'd, because they paid, as above, but 100 Livres for an Action, whereas whoever bought an Old one, was oblig'd to pay 1000 Livres down, this carried away the Buyers from the Old Stock, but this likewise was not all, for those who had a mind to subscribe to the New Stock, on purpose to Sell out again, and Jobb them about, sold out the Old Stock, because for two Old Actions, for which, when sold the Seller receiv'd 2000 Livers, he might with that Money Subscribe, or buy Subscriptions for 20 Shares or Actions in the New; and laying down the first Payment, get to *Quinquampoix Street*, the Exchange-Alley of *Paris*, and selling them again at 1100 Livres each, put 2000 Livres in his Pocket, and be just where he was.

These

These Things had their Influence upon the old Stock, and there being Abundance wanted to sell, and few to buy, the Price fell at once, and indeed began to fall so considerably, that from 1250 it fell to 760, which was a threatening Article; but Mr. *Laws* gave a new Life to it all at once, for he perceiving it, and knowing it would run too fast for him to stop it, if it was not taken in time, applied an immediate Remedy to it which could not fail to answer his End, this was to publish, and fix it up at the Door of the Bank, and at other publick Places of the City, That the Company would take in all the old Shares that any Man was willing to part with, at 900 Livres per Share.

This was another Testimony of the masterly Genius of Mr. *Laws*; for as soon as ever this publication was made the old Stock mounted again, and sold Currently for 1050 and 1030 or thereabout no Body coming, or but few to sell them.

Thus he warded off the Blow: But this was one Reason why he durst not venture to form any additional Subscriptions, and a good Reason too: But
from

from this Time forward, the Stock is grown up to a Prodigy of 2050 *per Cent.* It is true it has sunk a little on the approach of the Time of Payment for the first three Months, which is to be paid in the first of *January*, viz. 300 *Livres per Share*, and this for want of Money has sunk the Stock to about 1850 but Mr. *Law*, that never wants a Remedy for these Diseases, Immediately calls a Meeting of the Directors, and agrees to declare a Dividend of profits to amount to 6 *per Cent.* upon the Stock, which tho' it be a Trifle on the present advanc'd Price, yet was really Considerable in it self, and amounts to a very great Sum, no less than Six Millions and upwards: however 'tis agreed that the Company have really gain'd near 100 Millions extraordinary, by selling her own Subscriptions, and buying and selling her own Stock; so that they may very easily divide 20 *per Cent.* on the 1st Stock, which would have been 1 *per Cent.* upon the present Advance; but of this hereafter. This is a brief Account of the prodigious Rise and Greatness of the *East India* Stock, and of it's present State and Condition.

It

It remains to give some account of its progress, and the steps Mr. *Law* is taking to establish the Trade which it has in View; for tho' indeed the Trading part has been the least of Mr. *Law's* design, yet as it is the denominating quality of the Company; and they are called the *Mississippi* and *East-India* Company, he pushes this part also.

The proceeding of the *Mississippi* part, is partly seen in the Arret of the Council, misplaced by mistake, *Pag. 31.* and which ought to have been placed here: Wherein the Bank gives, or rather lends the Company 25 Millions in Bank Bills, for small Sums to be Current in the Colony of *Louisiana* or *Mississippi.* and partly in the multitude of People which are every Day all for planting sent thither.

As for the *East-India* Trade, we find them launching out into a prodigious Trade that Way, and sending out about Twenty Ships with Souldiers and vast Cargoes, to make Settlements, and place Factories in the *East-Indies*, and all the Twenty Ships to come home loaden with things proper for the Trade they are upon,

These

These are great things it must be confest, but as I have said, these are not the chief End in View; Mr. *Law's* Aims are at Popularity, and keeping up the Imaginary Part which is raised to such a degree, as the Profit of Ten *East-India* Trades could not support, and which never can be supported without something that can bring in a Profit equal to 3 or 4 *per cent per Annum*, upon the 2000*per Cent.* to which it stands advanc'd.

To bring this to Pass, we find he does every thing, and the Government in his behalf does every thing that can recommend them to the People, and particularly Acts of generous Charity, publick spirited Munificence, taking off the heavy Taxes upon the ordinary Necessaries of Life and Conveniency, by which the Poor who are more Sensible of those things, are touch'd, and engage to Bless both the Persons and the Undertaking.

Innumerable Projects are in his Head for publick good, he has already caused all the Turnpikes and Tole-bars at the entrance into the Streets of *Paris* to be taken down; an innumerable number of Collectors and Officers, that teiz'd
the

the Poor for Money upon every Trifle that enter the City of *Paris*, are dismissed, the People pay nothing for Coals or Wood, or Turff to burn, Hay or Oats, or Straw for Horses, Flesh or Fish, Herbs or Garden Stuff, and Fruits or Wine to Drink; all Things go free into *Paris*, so that the Families live a fifth part cheaper than they did before; the very Duty on Fish, which is now abolished, brought in to the King two Millions a Year; but now as the Rents of the Town-House of *Paris* are Reimbursed, and they have no more Annuities to pay, they have likewise no Taxes to Levy, and all is made free.

Besides these Things, which are the Consequence of paying the publick Debts, he has new Projects of so many kinds, that it would require a large Book to give an Account of them.

He has undertaken a New Canal, from the River *Loyer* to the *Seine*, to bring more Water into the latter, by the River *Loyng*, and answerable to the Canal *de Briare*, so to bring Vessels of large Burthens down those Rivers, and bring Wine and Brandy, and all bulky Goods quite from *Nants* in Bre-
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taign,

raign, and from the Sea, as well as from the Inland Country about *Orleans*.

He has laid a Scheme to reduce the River *Seine* to a narrower Channel between *Paris* and *Roan*, that so the Channel may be deepen'd and kept clear, by which means Ships of good Burthen shall come up even to *Paris* it self, and to *Roan*, Ships of 400 Tuns Burthen shall come freely up to the Town Key.

He has design'd to make *Roan* the Capital of all *France*, for Commerce, Navigation and Manufactures, all his *East-India* and *Mississipi* Trade shall be carried on there, and the Magazines, Warehouses and Places for publick Sales, shall be fixt and built there; and as the City of *Roan* it self is not sufficient for the Number of People that will be drawn together by these Things, and by the Woollen Manufactures and Silk Manufactures, which he designs to settle there, he has projected, as Fame reports, a new City on the other Side the *Seine* over against *Roan*, and a Stone Bridge of a most magnificent Structure, and which must be prodigious strong, the Water there being very deep and rapid.

This

This Tract would be far too short to give a full Scheme, even of this one design, a thing of such a Magnitude as no private Man ever undertook, or any Stock less than that of a Prince or of a Nation accomplished.

But all these things seem to me to be rather Amusements to alarm the World, and make the Company Famous among Foreigners, than that they are to be really executed.

And they have their End, for Foreigners are amused, and all the World seems to be running to *Paris*, the prodigious Sums Strangers lay out in the Stock, and the Numbers that come to Negotiate there, has fill'd *Paris* with Money and with People, and consequently with Trade; and they tell us there is nothing to be seen but New Coaches, New Equipages, New Liveries, and buying New Furniture; innumerable Families having been enrich'd by this surprizing Advance of Stock; in a word, they write from thence, that there are 1200 New Coaches set up in *Paris*, and half a Million of People come to the City more than was there before, so that no Lodgings are to be had; and they Build New

Houses and Streets in every Place where they have Room.

When I begun this Work, it was not possible to imagine, but I might have given some account of the Ebb, as I have of the Flood of this *Phantome*, for I can call it yet no more; its Fate without question must come ere long, since there is no Foundation equal to the Structure that now stands upon it.

But the time is not yet, the little Decrease, or Fall which happened a few days ago, is not of the kind of that which must blow up the Machine; but it stop'd as above, by the appearance of an approaching Dividend of Profits: But this cannot support it long, it must fall at last, and all I can say of it at present can be only this, that when it comes, *Great will be the Fall of it.*

F I N I S.